

Town of Wellesley

Inter-Board Meeting

May 10, 2012

Agenda

- Welcome B. Searle
- Current Developments B. Searle
 - Acquisition of 900 Worcester St.
 - Green Power Community
- Superintendent Search S. Littlefield
- Facilities Maint. Transition H. Larsen
- FY14 Planning H. Larsen
- Advisory Update V. Ferko

Recent financial developments (post Town Meeting)

- State aid - FY13 House budget \$.2M higher
- New pension valuation – requires \$.9M higher contribution in FY14
- Health insurance – \$.3M additional savings related to Medicare transition

Projected FY14 deficit

<i>(\$000)</i>	<u>FY14</u>	<u>FY15</u>
As projected at ATM	\$ (4,860)	\$ (7,048)
State aid	228	228
Pension contribution	(909)	(221)
Health insurance	314	314
Revised projection	<u>\$ (5,227)</u>	<u>\$ (6,727)</u>

Planning required over the summer

- Reassess balance of sustainable cuts vs. the level of override required
 - ***Everything needs to be on the table***
 - Service reductions
 - Staffing reductions
 - Wage freezes (including step increases)
 - Consolidation of functions
- Evaluate FY14/15 override scenarios
- Develop clear FY14 budget guidelines
 - Have hard discussions this summer vs. next winter

Input requested from each Department by June 30th

- List of actions required to achieve a level-funded budget for FY14
- Prioritized list of discrete investments over and above level funding

i.e., the information required to structure an override and balance the budget with and without an override.

Impact of level funding FY14

<i>(\$000)</i>	<u>FY14</u>	<u>FY15</u>
Projected deficit	\$ (5,227)	\$ (6,727)
FY14 level funded		
- Schools	2,905	2,905
- Other Depts.	793	793
Adjusted deficit	<u>\$ (2,322)</u>	<u>\$ (3,822)</u>

- *FY14 projection includes \$3M for pay increases*
- *School and Police contracts expire at end of FY13*

Proposed schedule

- Input from each Dept. By 6/30
- Consolidation, analysis and follow-up questions July
- Initial review with Selectmen 8/6
- Discussion with Advisory Late August
- Inter-Board meeting Early Sept.
- Rollout of FY14 guidelines End Sept.

Questions?